

PATENT
Customer Number 22,852
Attorney Docket No. 06556.0003-04

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:)
John POLK)
Serial No.: 09/975,241) Group Art Unit: 3629
Filed: October 12, 2001) Examiner: John Weiss
For: METHOD AND APPARATUS)
FOR CHILD SUPPORT)
PAYMENT PROCESSING AND)
CHILD SUPPORT)
DISBURSEMENT)
PROCESSING BY A)
PROCESSING ENTITY)

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GROUP 3600

Assistant Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

DECLARATION OF JOHN POLK UNDER 37 C.F.R. § 1.131

1. I, John Polk, am the Applicant of the above-identified application and the inventor of the subject matter described and claimed therein, and I executed a Declaration to that effect on September 29, 1997.

2. The above-identified application is a continuation of U.S. Patent Application No. 09/413,862, filed October 7, 1999, which is a continuation of U.S. Patent Application No. 09/003,941, filed January 7, 1998 (now U.S. Patent No. 6,119,107), which is a divisional of U.S. Patent Application 08/941,187 ("the '187 application"), filed September 30, 1997, now U.S. Patent No. 5,946,669 ("the '669 patent").

3. During the time period in question (i.e., from prior to October 18, 1996 to September 30, 1997), I was employed at Lockheed Martin IMS Corporation, a division

of Lockheed Martin Corporation and was under an obligation to assign my patent rights to Lockheed Martin Corporation. My job title was Senior Marketing Director, Child Support Services.

4. The attached Exhibits 3-9, 13-29, 31, 37, 38, 41-62, and 64 referred to herein are true and accurate copies of my planner records. The other exhibits were provided to me for review and provide a basis for some of my testimony herein.

5. To the best of my knowledge and belief, on October 18, 1996, Darren B. Remington and Warren T. Dent filed U.S. Patent Application No. 08/734,518, entitled "Electronic Bill Presentment and Payment System," now U.S. Patent No. 6,070,150 ("the '150 patent"). The earliest effective filing date of the '150 patent is its filing date of October 18, 1996.

6. In is my understanding that in an Office Action dated December 5, 2003 in the above-identified application, the Patent Office applied the '150 patent, in combination with at least one other reference, to reject the claims of my above-referenced patent application for obviousness. The '150 patent allegedly qualifies as prior art under 35 U.S.C. § 102(e).

7. The facts set out in the paragraphs below describe a conception of the claimed invention coupled with due diligence from a time just prior to the filing date of the '150 patent to a constructive reduction to practice, namely, the filing of the grandparent application of this patent application (i.e., the '187 application) on September 30, 1997. The events described in these paragraphs occurred in the United States.

8. Prior to October 18, 1996, I detailed specific aspects of my invention in drawings showing a third-party entity acting as an accumulator agency between state child support agencies and employers. See Exhibits 1 & 2. The drawings originally included at least 4-5 pages. I no longer have a copy of the complete set of drawings that I created at that time. However, Exhibits 1 and 2 are true and correct copies of two of those original drawings that I prepared prior to October 18, 1996. My full set of original drawings included more detail and subject matter than are shown in Exhibits 1 and 2.

9. Based upon my personal knowledge and recollection, I prepared these drawings at a hotel in Virginia where I was attending a conference. The conference was held at the hotel prior to October 18, 1996.

10. Exhibits 1 and 2 are documentary evidence of conception of the subject matter of claims 371, 375, 379, 440, 448, 456, and 470. The drawings detail the problem of multiple states demanding withholdings from a single multi-state employer. They also show multiple employers sending payments to a state. The drawings show a need for an accumulator agency to process these payments. See Exhibit 1. Indeed, the drawings specifically show my invention of an accumulator router that "permits the receipt and routing of electronic payment transactions from employers." See Exhibit 2. To route electronic payments, the payment and disbursement are first initiated or instituted through the employer for a withholding. Further, the accumulator router knows where to send the payment. Therefore, the employer transferred to the accumulator router the payment and disbursement information. Additionally, "routing of electronic payment transactions from employers" would include processing or initiating from the accumulator router to a bank. Also, when a payment is processed, the disbursement information is processed to an intermediary so that the intermediary would be aware of the payment.

11. Further, because the accumulator router "permits receipt and routing of electronic payment transactions," the accumulator router transmits the disbursement to the state as an addendum transaction, the accumulator would receive disbursement transaction from the state, and the accumulator would "rout[e]" the disbursement by executing the disbursement to a recipient. Also, because the accumulator router "rout[es] . . . the electronic payment transactions from employers" (Exhibit 2), it therefore initiates the payment, such as by a debit transaction through a bank. This electronic transaction would naturally occur through an automated clearing house (ACH).

12. Exhibits 1 and 2 are also documentary evidence of conception of the subject matter of claims 383, 389, 395, 396, 400, 404, 405, and 422. The drawings detail multiple employers sending payments to a state. See Exhibit 1. To do so, the employers must have received the payment information. As shown in Exhibit 1, the employers send the payment to a third-party that accumulates the payments and

interacts with the state agency. Naturally, payment information will be associated with the payment. The accumulator router "rout[es] . . . the electronic payment transactions from employers" (Exhibit 2), and therefore, initiates the payment, such as by a debit transaction. The electronic transaction would naturally occur through an ACH. Further, the "functions [of the accumulator router] create[] a 'closed loop' operation." See *id.* In order to close the loop, notification of the disbursement must be sent to an intermediary, such as a state. In addition, disbursement information also would be sent to the state. Further, because the accumulator router can receive withholding orders from the state (see Exhibit 2), the accumulator router receives disbursement transaction information from the state in order to enable execution of the disbursement by "routing [the] electronic payment transactions from employers" to a recipient.

13. Dependent claims 372-374, 376-378, 380-382, 384-388, 390-394, 397-399, 401-403, 406-421, 423-439, 441-447, 449-455, 457-469, and 471-483 include features that, when combined with the invention of the independent claims, were well within the skill of persons of ordinary skill in the art at the time of conception of the independent claims.

14. Based on Exhibits 1 and 2, I believe that one of ordinary skill could reduce my invention to practice without extensive experimentation. Therefore, I believe these drawings are evidence of a complete conception of my invention prior to October 18, 1996, the filing date of the '150 patent.

15. In September or October, 1996, Mr. Dick Vesper, my former supervisor, called me to explain that electronic processes such as those described above could be patented, and advised me to consider patenting the process that I had developed.

16. On October 15, 1996, I returned Mr. Vesper's call and we spoke about patenting the process I had developed. At this time, he and I were no longer working together, and he contacted me for the sole purpose of discussing the patenting of my invention. I specifically recall in this conversation that Mr. Vesper asked me to keep records of the development and progress of my invention. I noted this telephone call with Dick Vesper in my day timer. See Exhibit 3. I also agreed to follow Mr. Vesper's recommendation.

17. After our telephone call on October 15 and before November 13, 1996, Mr. Vesper contacted me again and asked me to prepare a brief written description of my invention to submit to Lockheed Martin's intellectual property counsel to begin the process of obtaining a patent. At the time, although my home was in Colorado, I was working in Maryland on a project for the city of Baltimore to implement a child support payment processing system. At this time, I lived in a hotel and did not have access to all the amenities of a regular office. In addition, I had work obligations that required me to travel extensively, and therefore, was in and out of my regular office. My ability to prepare a write-up for Mr. Vesper was thus somewhat limited for a few weeks. For example, after our telephone call on October 15, I flew into Baltimore on October 16, 1996. See Exhibit 4. On October 17, I took a previously planned weekend vacation to Denver. See Exhibit 5. On October 22, I returned to Baltimore (see Exhibit 6), and then worked in Washington, DC from October 23 to 25. See Exhibits 7 & 8. My regular work obligations continued to demand my time through November 8, when I returned to Denver. See Exhibit 9.

18. On or before November 13, 1996, I complied with Mr. Vesper's request and prepared a description of my invention. Exhibit 10 is a true and correct copy of the description I prepared. I gave this written description to Mr. Vesper who, I understand, passed it along to John Morrissey, the Deputy Associate General Counsel of Intellectual Property at Lockheed Martin for his review and consideration.

19. On or before December 3, 1996, Mr. Morrissey completed his analysis of my written description of the invention, and on December 3, 1996, he sent a letter and the written description to Thomas Martin, Esq. at the law firm of Finnegan, Henderson, Farabow, Garrett & Dunner LLP (FHFGD). See Exhibit 11. In that letter, Mr. Morrissey requested that Mr. Martin provide an opinion as to whether patent protection could be obtained for my invention. *Id.* I understand that portions of the letter are irrelevant to this submission, are attorney-client privileged, and/or contain attorney work product. Therefore, those portions have been redacted.

20. Based on information and belief, Mr. Lionel Lavenue of FHFGD began developing a claim strategy for my invention. See Exhibit 12.

21. During February and March 1997, my work obligations required all my time and attention, and I was unavailable to provide additional details to the attorneys at FHFGD for them to conduct a patentability search.

22. For example, on February 5, 1997, I traveled to Boston for a meeting on February 6. See Exhibits 13 & 14. I returned to Baltimore on February 6, 1997 (see Exhibits 13 & 15) and then flew to Dallas-Fort Worth on February 8, 1997. See Exhibit 14 (showing change in March 8 itinerary). On February 10, 1997, I traveled home to Denver. See Exhibit 16.

23. From February 17 to February 20, 1997, I was in Palm Springs for a convention. See Exhibits 13 & 17. I flew to Montgomery, Alabama on February 21 and returned to Washington D.C. on February 24, where I worked the week of February 24 to February 28, 1997. Exhibit 18 (showing itinerary), 19 & 13.

24. During the month of March, like February, my time was consumed with travel and work obligations. Thus, time to work with the attorneys at FHFGD to advance the patent search was severely limited. From March 2 to March 5, 1997, I was in Washington DC. See Exhibit 20. On March 5, I worked in Baltimore, and on March 6, 1997, I was back in Montgomery. See Exhibits 20 & 18 (showing itinerary). On March 7, 1997, I was in Biloxi, Mississippi, where I stayed until March 9, 1997. See Exhibit 20.

25. On March 10, 1997, I flew to Philadelphia for a meeting on March 11 and, later that day, left for a meeting in Illinois. See Exhibits 20, 21, & 22. On March 12, 1997, I flew back to Denver. See Exhibit 23. On March 16, 1997, I flew to Columbus, Ohio to attend an Ohio CS Conference from March 17, to March 19, 1997. See Exhibits 24 & 20. On the evening of March 19, 1997, I returned to Washington, D.C. where I worked on March 21-22. See Exhibits 25 & 20. On March 23, 1997, I flew to Orlando to attend a BAI meeting. See Exhibits 26 & 20. I stayed there until the evening of March 25, 1997, when I returned to Denver. See Exhibits 27 & 20.

26. Also in March, I was arranging to move from Denver to the Washington, D.C. area. Naturally, making arrangements for the move and attending to the logistics of the move also contributed to my lack of availability. The actual move occurred on March 26, 1997. See Exhibits 28 & 20.

27. On April, 2, 1997, I had a telephone conference with Mr. Vesper and with FHFGD attorneys Mr. Martin and Mr. Lavenue to discuss the details of the patent application. See Exhibits 29 & 30. On April 4, 1997, at 10:00 a.m., Mr. Vesper and I met with FHFGD attorneys Mr. Martin and Mr. Lavenue and discussed additional details of the patent. See Exhibits 30 & 31. Later that day, I had further conversations with Mr. Vesper about the patent application process. See Exhibit 31.

28. Based on information and belief, on April 8, 1997, Mr. Martin and Mr. Vesper held a telephone conference regarding a patentability search to be performed. See Exhibit 30. Based on information and belief, information from that telephone conference was relayed to Mr. Lavenue, who then prepared a patent application disclosure memorandum. See id.

29. On or around April 10, 1997, I received a letter with the memorandum from Mr. Lavenue to confirm that it accurately described my invention. See Exhibit 32. Exhibit 32 is a true and correct copy of the letter that I received. I understand that portions of the letter, and the memorandum itself, are irrelevant to this submission, are attorney-client privileged, and/or contain attorney work product. Therefore, those portions have been redacted. I contacted Mr. Lavenue on April 10 or 11, and, based on information and belief, on or around April 11, 1997, Mr. Lavenue requested that a patent search be conducted by the firm of Hoffman, Wasson & Gitler, P.C. See Exhibit 33. I understand that portions of the letter are irrelevant to this submission, are attorney-client privileged, and/or contain attorney work product. Therefore, those portions have been redacted.

30. On information and belief, it took approximately three weeks for Hoffman, Wasson & Gitler, P.C. to complete the search. On information and belief, on or around April 30, 1997, the results of the patent search were sent to Mr. Lavenue by Mr. Mitchell Watson of Hoffman, Watson & Gitler. See Exhibit 34. I understand that portions of the letter are irrelevant to this submission, are attorney-client privileged, and/or contain attorney work product. Therefore, those portions have been redacted.

31. On information and belief, based upon the results of the patent search, Mr. Lavenue began preparing a patent application directed to my invention on May 3, 1997. See Exhibit 35.

32. On or around May 8, 1997, I received a letter with the results of the patent search from Mr. Lavenue. See Exhibit 36. Exhibit 36 is a true and correct copy of the letter that I received. I understand that portions of the letter are irrelevant to this submission, are attorney-client privileged, and/or contain attorney work product. Therefore, those portions have been redacted. In the letter, Mr. Lavenue requested that we set up a meeting or conference call for May 15, or May 16, 1997. See *id.* However, my work schedule during May made it impossible to fit Mr. Lavenue in at that time. I was in Wisconsin and Arizona from May 12 to May 21. I then traveled to Albany on May 21, and returned to DC on May 22. See Exhibit 37 (showing some details of my schedule for the month of May).

33. Based on information and belief, on May 8, 9, and 14, 1997, Mr. Lavenue continued to work on the patent application. See Exhibit 35. Based on information and belief, on May 28 and 29, 1997, Mr. Lavenue studied the results of the patentability search in preparation for a meeting with me, and prepared a set of draft claims. See *id.*

34. Sometime between May 8 and May 28, I scheduled a meeting with the attorneys of FHFGD for May 30, 1997, when I met with Mr. Martin and Mr. Lavenue at Lockheed Martin headquarters, along with FHFGD attorney Bob Converse, Esq. to work on the patent application. See Exhibits 35 & 38. At that time, we discussed the patentability search, and I described distinctions between my invention and the art found during the search. See Exhibit 35.

35. Based on information and belief, on June 2, 3, 4, 5, and 6, Mr. Lavenue prepared a draft patent application with diagrams and claims. See Exhibit 39. Based on information and belief, Mr. Martin reviewed portions of the draft on June 16. See *id.* Based on information and belief, Mr. Lavenue continued to prepare the patent application with diagrams and textual explanations with draft claims through June 18, 1997, and on or around June 19, 1997, I received a letter with a memorandum from Mr. Lavenue. See Exhibits 39 & 40. Exhibit 40 is a true and correct copy of the letter that I received. I understand that portions of the letter, and the memorandum itself, are irrelevant to this submission, are attorney-client privileged, and/or contain attorney work product. Therefore, those portions have been redacted. Mr. Lavenue requested that I review the materials to ensure that they were technically correct. See Exhibit 40.

36. Although draft claims and figures were sent to me on June 19, 1997, my work schedule required extensive traveling throughout July and August. Therefore, I was not able to review the claims and figures immediately.

37. At the time the letter was sent, I was in Arizona for meetings and assisting with implementation of a child support program for the State of Arizona. I was there until June 25, 1997. See Exhibit 41. Nevertheless, on June 20, 1997, I had a telephone conference with Dick Vesper regarding the patent application. See Exhibit 42.

38. Based on information and belief, one week later, on June 27, 1997, Mr. Lavenue left a telephone message for me wanting to discuss the description of the system. See Exhibit 39. On June 30, 1997, I recorded in my day-timer as a to-be-done-today item to review the patent information provided to me and to return Mr. Lavenue's call regarding the patent application. See Exhibit 43. However, I did not have time to make the phone call that day, and carried the items forward on my to-be-done-today list through July 2. See Exhibits 44 & 45. From July 1-3, I was in Phoenix, and returned to DC on July 3 for the holiday weekend. See Exhibits 44, 46, & 47.

39. I did not work over the July 4 weekend, and again recorded to review the patent information and to return Mr. Lavenue's phone call on July 8, 1997. See Exhibit 48. On July 14, 1997, I was finally able to turn my attention to my invention long enough to return Mr. Lavenue's phone call. See Exhibit 49. Therefore, on that day, I marked that I returned Mr. Lavenue's call and also marked off my to-be-done-today item titled invention. See *id.* Although I returned Mr. Lavenue's phone call, I continued to carry forward my to-be-done-today item titled invention. See Exhibits 50 (July 15), 51 (July 17), 52 (July 18), 53-56 (July 21-24), 57 (July 28), 58 (July 30), 59 (August 1), 60 (August 4), and 61 (August 11). On August 13, 1997, I was able to address the invention, and marked it as completed on my to-be-done-today list. See Exhibit 62.

40. Although my to-be-done-today list included the item invention or patent, I was unable to address the issue immediately because of my work schedule. I spent most of July in Phoenix working on proposals and in meetings. During that time, in addition to my regular responsibilities, my colleagues and I prepared business proposals for child support payment processing for the states of Massachusetts and

Connecticut. Further, I spent the week starting July 21, 1997, working in Wisconsin. See Exhibits 47 & 53.

41. Meanwhile, based on information and belief, on July 21, 1997, Mr. Lavenue met with Mr. Martin to discuss the status of the patent application and to update him on my schedule and lack of availability. See Exhibit 63.

42. In August, my schedule was not any easier. I worked in Minnesota on August 5, Hartford on August 6, Albany on August 7, and stayed in New York on August 8. See Exhibit 64. During August, I spent a week working in Ohio, and another week in Wisconsin. I also spent a week attending a National Child Support Enforcement Association (NCSEA) conference in Phoenix from August 24 to August 28. See *id.*

43. On August 29, 1997, Mr. Lavenue and I spoke again about the patent application and Mr. Lavenue revised the drawings and prepared the introduction section of the application. See Exhibit 65. Based on information and belief, on September 2, 3, and 4, 1997, Mr. Lavenue continued working on the patent application. See Exhibit 66. On September 5, 1997, Mr. Martin and I spoke about the application, and based on information and belief, the information was then relayed to Mr. Lavenue. See *id.* From September 8 to 11, 1997, based on information and belief, Mr. Lavenue continued preparing the patent application, at times working with Mr. Martin. See *id.*

44. On or around September 12, 1997, I received a letter from Mr. Lavenue including a draft patent application with accompanying draft drawings for the invention. See Exhibit 67. The letter requested that I review the draft application and drawings. See *id.* Exhibit 67 is a true and correct copy of the letter that I received. I understand that portions of the letter are irrelevant to this submission, are attorney-client privileged, and/or contain attorney work product. Therefore, those portions have been redacted.

45. On September 18, 1997, based on information and belief, Mr. Lavenue edited the application in accordance with my comments. See *id.* Then, based on information and belief, on September 19, 1997, Mr. Lavenue prepared a Declaration and Assignment for my signature along with a final draft of the application.

46. On September 22, 1997, Mr. Lavenue and I spoke about the final draft of the application. Based on information and belief, on September 23, 1997, Mr. Martin reviewed the application, Assignment and Declaration. On or around September 23,

1997, I received a letter from Mr. Lavenue enclosing the final version of the patent application with a Declaration and Assignment for signing. See Exhibit 68. Exhibit 68 is a true and correct copy of the letter that I received. I understand that portions of the letter are irrelevant to this submission, are attorney-client privileged, and/or contain attorney work product. Therefore, those portions have been redacted.

47. Based on information and belief, on September 25 and 26, 1997, Mr. Lavenue further revised the application based on my comments. See Exhibit 66. On September 29, 1997, I signed the declaration prepared by Mr. Lavenue.

48. Based on information and belief, on September 30, 1997, FHFGD filed, on my behalf, U.S. Patent Application No. 08/941,187, entitled Method and Apparatus for Payment Processing Using Debit-based Electronic Funds Transfer and Disbursement Processing Using Addendum-based Electronic Data Interchange, now U.S. Patent No. 5,946,669, the grandparent of the present application.

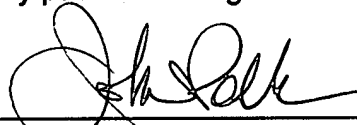
49. As set forth above, I believe I worked with reasonable due diligence from before the effective date of the '150 patent to the filing of my application. I diligently worked to advance the preparation of the application as much as reasonably possible in view of my work obligations.

50. I declare further that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further, that the statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patents issuing thereon.

Dated:

5/28/04

By:


John Polk